



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

Division of Drinking Water

September 12, 2014
System No. 1510023

Diane Gustafson, Office Manager
Lake of the Woods Mutual Water Company
7025 Cuddy Valley Road #F
Frazier Park, CA 93225

RE: COMPLIANCE ORDER FOR WATERWORKS STANDARDS VIOLATION

Dear Mrs. Gustafson:

Attached is Compliance Order No. 03-19-14O-002 that the State Water Resources Control Board, Division of Drinking Water is issuing to Lake of the Woods Mutual Water Company (hereinafter "Water Company") for violation of the source capacity requirements of the California Waterworks Standards. As discussed in the Compliance Order, the Water Company shall propose a project to correct the source capacity problems to ensure that the customers have reliable and adequate sources of water supply.

Please be advised that the time we have spent on preparing the Compliance Order is considered enforcement time and has been billed to the Water Company at our current billing rate of \$128.00 per hour.

If you have any questions regarding this matter, please contact Osiel Jaime, Sanitary Engineer with the Tehachapi District office at (661) 335-7347.

Sincerely,

A handwritten signature in blue ink that reads "Jaswinder S. Dhaliwal".

Jaswinder S. Dhaliwal, P.E.
Senior Sanitary Engineer
STATE WATER RESOURCES CONTROL BOARD
DIVISION OF DRINKING WATER

Enclosure: Compliance Order No. 03-19-14O-002

CC: Kern County Environmental Health Services Department
Kern County Planning Department

1 **STATE OF CALIFORNIA**
2 **WATER RESOURCES CONTROL BOARD**
3 **DIVISION OF DRINKING WATER**
4

5 **TO:** Dianne Gustafson, Office Manager
6 Lake of the Woods Mutual Water Company
7 Cuddy Valley Road #F
8 Frazier Park, CA 93225
9

10
11 **COMPLIANCE ORDER NO. 03-19-140-002**
12 **FOR**
13 **VIOLATION OF CALIFORNIA HEALTH AND SAFETY CODE SECTION**
14 **116555(a)(3)**
15 **AND VIOLATION OF CALIFORNIA CODE OF REGULATIONS, SECTION 64554(a)**
16 **LAKE OF THE WOODS MUTUAL WATER COMPANY**
17 **WATER SYSTEM NO. 1510023**
18 **Issued on September 12, 2014**
19

20 Section 116655 of Chapter 4 of Part 12 of Division 104 of the California Health and
21 Safety Code (hereinafter "CHSC") authorizes the issuance of a compliance order for
22 failure to comply with a requirement of the California Safe Drinking Water Act or any
23 regulation, standard, permit, or order issued thereunder.
24

25 The State Water Resources Control Board, acting by and through its Division of
26 Drinking Water (hereinafter "Division") and the Deputy Director for the Division

(hereinafter "Deputy Director"), hereby issues a compliance order to Lake of the Woods Mutual Water Company (hereinafter "Water Company") for failure to comply with CHSC Section 116555 (a)(3) and Title 22, California Code of Regulations (hereinafter "CCR"), Section 64554 subsection (a).

A copy of the applicable statutes and regulations is included in **Appendix 1**, which is attached hereto and incorporated by reference.

STATEMENT OF FACTS

The Water Company owns and operates a public water system (hereinafter "Water System") serving 953 people through 401 service connections, located in the community of Lake of the Woods, in Kern County. The Water System consists of six wells, three storage tanks, booster pump, and the water distribution system. The Water Company operates under Water Supply Permit Number 03-19-11P-025, issued on December 30, 2011, by the California Department of Public Health, now State Water Resources Control Board.

Since the spring of 2013, the Water Company's source capacity has significantly decreased. Per a field inspection conducted on July 16, 2014, by the Division's staff, it was determined that the combined production capacity of the six wells is approximately 56,000 gallons per day, which is less than the Water Company's maximum day demand (MDD) of 221,000 gallons a day (based on the 2011 Electronic Annual Report to the Drinking Water Program). Well 01 (Primary Station Code: 1510023-005) produces about 43,000 gallons a day. Well 02 (Primary Station Code: 1510023-006) produces about 2,000 gallons a day. Well 03 (Primary Station

1 Code: 1510023-007) has not been producing any water, but it has been recently
2 rehabilitated, and is expected to produce about 14,000 gallons a day once it is
3 placed back in service. Well 04 (Primary Station Code: 1510023-009) produces
4 about 11,000 gallons a day. Well 05 (Primary Station Code: 1510023-010) is
5 completely dry and does not produce any water. Dark Canyon Well (Primary Station
6 Code: 1510023-014) was recently purchased, and is not yet connected to the
7 distribution system. The Water Company has implemented mandatory water
8 conservation since the summer of 2013, by not allowing any landscape watering.
9 With the water conservation measures, the Water Company's MDD was reduced to
10 110,000 gallons (based on the 2013 Electronic Annual Report to the Drinking Water
11 Program), which remains greater than the Water Company's source capacity of
12 56,000 gallons a day. To prevent water outages and low pressure, the Water
13 Company has been supplementing its supplies with hauled water. About 32,000
14 gallons of water are hauled daily (except for weekends) to prevent water outages.
15 The Water Company hauled water during August and September 2013, and again
16 has been hauling water since May 2014.

17
18 The Water Company has been working with the Division to solve its source capacity
19 problem. In October 2013, the Water Company requested Emergency Clean Water
20 Grant funding under Proposition 84 to haul water and to drill a new well. Under
21 Proposition 84, Part 2, Emergency Clean Water Grant funding, the Division paid
22 \$10,000 for water hauling under an oral contract and in January 2014, issued a
23 Proposition 84 funding agreement for a \$240,000 grant to pay for drilling a new well.
24 For various reasons, the new well has not been drilled yet. In July 2014, the Water
25 Company submitted another request to the Division requesting \$500,000 under
26 drought emergency funding. The drought emergency funding request is currently
27 under review by the Division. For a long-term solution, the Water Company has

submitted a State Revolving Fund (SRF) Planning Loan Application to the Division. The SRF application is currently undergoing technical review by the Tehachapi District Office of the Division.

DETERMINATIONS

Based on the above Findings, the Division has determined that the Water Company has violated provisions contained in the CHSC and Title 22, CCR. These violations include, but are not limited to the following:

1. CHSC Section 116555(a)(3): Specifically, the Water Company has failed to ensure that a reliable and adequate supply of pure, wholesome, healthful, and potable water is provided at all times.
2. CCR, Title 22, Section 64554(a): Specifically, the Water Company does not have sufficient water available from sources to supply adequately, dependably and safely the total requirements of all users under maximum day demand conditions.

DIRECTIVES

To ensure that the water supplied by the Water Company is at all times safe, wholesome, healthful, and potable, and pursuant to Section 116555 of the CHSC, the Water Company is ordered to take the following actions:

1. Cease and Desist from failing to comply with Section 64554(a) of the CCR by ensuring that the Water Company's consumers are provided with a reliable and adequate supply of pure, wholesome, healthful, and potable water.
2. Effective immediately, upon receipt of this Order, the Water Company shall not add to its water system any new service connections until adequate and reliable source(s) are in place and written approval to add new service connections is granted by the Division.
3. By **October 31, 2014**, the Water Company shall provide to the Division, for its review and approval, a plan for complying with the Conservation Regulation – in particular, the *Mandatory Actions for Water Suppliers* specified in Title 23, CCR, Section 865 – including a schedule. The Water Company shall comply with the schedule in the approved plan. A copy of the applicable regulation section is included in **Appendix 1**.
4. By **December 15, 2014**, the Water Company shall provide to the Division, for its review and approval, a Source Capacity Planning Study pursuant to Title 22, CCR, Section 64558.
5. By **March 31, 2015**, the Water Company shall provide to the Division, for its review and approval, a plan for meeting the *projected system demand* identified in the approved Source Capacity Planning Study, including a schedule. The plan shall include a time schedule for completion of various phases of an improvement project such as design, construction, and startup which must not extend beyond **December 31, 2017**. The Water Company shall comply with the schedule in the approved plan. At six-month intervals following the Division's approval of the plan, the Water Company shall provide

1 progress reports to the Division regarding compliance with the plan for
2 meeting the *projected system demand*. The Water Company shall also
3 prepare and submit to the Division for review and approval, a plan that
4 outlines operational changes made as a result of the project.
5

6 6. If any or all of the customers served by the System have unmetered service
7 connections, the Water Company shall do the following:

8 a) By **November 15, 2014**, the Water Company shall provide to the Division,
9 for its review and approval, an inventory of service connections without
10 water meters and a plan for the installation of water meters at the
11 unmetered service connections, including a schedule. The schedule shall
12 specify a timeframe of no more than 24 months for the installation of water
13 meters at all service connections. The Water Company shall comply with
14 the schedule in the approved plan.

15 b) By **February 15, 2015**, the Water Company shall provide to the Division,
16 for its review and approval, a progress report detailing steps that have
17 been taken to install water meters at all unmetered service connections.

18 c) At six-month intervals following the initial progress report, the System shall
19 provide to the Division, for its review and approval, additional progress
20 reports regarding the installation of water meters at all unmetered service
21 connections.

1 7. The Water Company shall submit a written response by **September 30, 2014**,
2 indicating its willingness to comply with the directives of this Compliance
3 Order.

4
5 The Division reserves the right to make such modifications to this Order as it may
6 deem necessary to protect public health and safety. Such modifications may be
7 issued as amendments to this Order and shall be effective upon issuance.

8
9 Nothing in this Order relieves the Water Company of its obligation to meet the
10 requirements of the California SDWA, or any regulation, permit, standard or order
11 issued or adopted thereunder.

12
13 All submittals required by this Order shall be addressed to:

14
15 Jaswinder S. Dhaliwal, P.E.
16 Senior Sanitary Engineer
17 State Water Resources Control Board
18 Division of Drinking Water
19 4925 Commerce Drive, Suite 120
20 Bakersfield, CA 93309

21
22 If the Water Company is unable to perform the tasks specified in this Order for any
23 reason, whether within or beyond its control, and if the Water Company notifies the
24 Division in writing no less than five days in advance of the due date, the Division
25 may extend the time for performance if the Water Company demonstrates that it has
26 used its best efforts to comply with the schedule and other requirements of this
27 Order.

1 The State of California shall not be liable for any injuries or damages to persons or
2 property resulting from acts of omissions by the Water Company, its employees,
3 agents, or contractors in carrying out activities pursuant to this Order, nor shall the
4 State of California be held as a party to any contract entered into by the Water
5 Company or its agents in carrying out activities pursuant to this Order.

6
7 **FURTHER ENFORCEMENT ACTIONS**

8
9 Sections 116725 and 116730, Division 104, Part 12, Chapter 4 of the CHSC
10 authorizes the Division to: issue additional citations with assessment of penalties if
11 the public water system continues to fail to correct a violation identified in a citation
12 or compliance order; take action to suspend or revoke a permit that has been issued
13 to a public water system if the system has violated applicable law or regulations or
14 has failed to comply with orders of the Division; and petition the superior court to
15 take various enforcement measures against a public water system that has failed to
16 comply with orders of the Division. By issuance of the Compliance Order, the
17 Division does not waive any further enforcement action.

18
19 If the Water Company fails to perform any of the tasks specified in this Order by the
20 time described herein or by the time subsequently extended pursuant to Order #3
21 above, the Water Company shall be deemed to have not complied with the
22 obligations of this Order and may be subject to additional judicial action, including
23 civil penalties specified in CHSC, Sections 116725 and 116730.

PARTIES BOUND

This Order shall apply to and be binding upon Lake of the Woods Mutual Water Company, its officers, directors, agents, employees, contractors, successors, and assignees.

SEVERABILITY

The requirements of this Order are severable, and the Water Company shall comply with each and every provision thereof notwithstanding the effectiveness of any provisions.

CIVIL PENALTIES

Failure to comply with any provision or Compliance Schedule of the Compliance Order may result in the Division imposing additional enforcement actions (Citations) and administrative penalties.

September 12, 2014

Date



Carl L. Carlucci, P.E., Chief
Central California Section
SOUTHERN CALIFORNIA BRANCH
DIVISION OF DRINKING WATER

Appendix 1: Applicable Authorities

cc: Kern County Environmental Health Services Department
Kern County Planning Department

(CC/JSD/OJ)



APPENDIX 1: APPLICABLE STATUTES AND REGULATIONS FOR COMPLIANCE ORDER NO. 03-19-14O-002

NOTE: The following language is provided for the convenience of the recipient, and cannot be relied upon as the State of California's representation of the law. The published codes are the only official representation of the law. Regulations related to drinking water are in Titles 22 and 17 of the California Code of Regulations. Statutes related to drinking water are in the Health & Safety Code, the Water Code, and other codes.

Section 116555 of the Health and Safety Code states in relevant part:

(a) Any person who owns a public water system shall ensure that the system does all of the following:

- (1) Complies with primary and secondary drinking water standards.
- (2) Will not be subject to backflow under normal operating conditions.
- (3) Provides a reliable and adequate supply of pure, wholesome, healthful, and potable water.

Title 22, CCR, Section 64554 states in relevant part:

(a) At all times, a public water system's water source(s) shall have the capacity to meet the system's maximum day demand (MDD). MDD shall be determined pursuant to subsection (b).

- (1) For systems with 1,000 or more service connections, the system shall be able to meet four hours of peak hourly demand (PHD) with source capacity, storage capacity, and/or emergency source connections.
- (2) For systems with less than 1,000 service connections, the system shall have storage capacity equal to or greater than MDD, unless the system can demonstrate that it has an additional source of supply or has an emergency source connection that can meet the MDD requirement.
- (3) Both the MDD and PHD requirements shall be met in the system as a whole and in each individual pressure zone.

(b) A system shall estimate MDD and PHD for the water system as a whole (total source capacity and number of service connections) and for each pressure zone within the system (total water supply available from the water sources and interzonal transfers directly supplying the zone and number of service connections within the zone), as follows:

- (1) If daily water usage data are available, identify the day with the highest usage during the past ten years to obtain MDD; determine the average hourly flow during MDD and multiply by a peaking factor of at least 1.5 to obtain the PHD.
- (2) If no daily water usage data are available and monthly water usage data are available:
 - (A) Identify the month with the highest water usage (maximum month) during at least the most recent ten years of operation or, if the system has been operating for less than ten years, during its period of operation;

Appendix 1. Applicable Statutes and Regulations for
Compliance Order No. 03-19-14O-002

(B) To calculate average daily usage during maximum month, divide the total water usage during the maximum month by the number of days in that month; and

(C) To calculate the MDD, multiply the average daily usage by a peaking factor that is a minimum of 1.5; and

(D) To calculate the PHD, determine the average hourly flow during MDD and multiply by a peaking factor that is a minimum of 1.5.

(3) If only annual water usage data are available:

(A) Identify the year with the highest water usage during at least the most recent ten years of operation or, if the system has been operating for less than ten years, during its years of operation;

(B) To calculate the average daily use, divide the total annual water usage for the year with the highest use by 365 days; and

(C) To calculate the MDD, multiply the average daily usage by a peaking factor of 2.25.

(D) To calculate the PHD, determine the average hourly flow during MDD and multiply by a peaking factor that is a minimum of 1.5.

(4) If no water usage data are available, utilize records from a system that is similar in size, elevation, climate, demography, residential property size, and metering to determine the average water usage per service connection. From the average water usage per service connection, calculate the average daily demand and follow the steps in paragraph (3) to calculate the MDD and PHD.

Title 22, CCR, Section 64558 states in relevant part:

(a) If directed by the Department to do so based on its determination that there is an existing or potential problem with the system's source capacity or a proposed expansion pursuant to section 64556(a)(5), a water system shall submit a Source Capacity Planning Study (Study) containing the following information:

(1) The anticipated growth of the water system over a projected period of at least ten years in terms of the population and number and type of residential, commercial, and industrial service connections to be served by the water system.

(2) Estimates of the amount of water needed to meet the total annual demand and the MDD over the projected ten-year growth period (projected system demand). Methods, assumptions, and calculations used to estimate the projected system demand shall be included.

(3) A map and description of the entire existing and proposed service area, showing:

(A) The location of each water source, including wells that are abandoned, out-of-service, destroyed, standby, or inactive;

1. Any valid water rights owned by the system for surface water sources, including information on any limitations or restrictions of those rights;

Appendix 1. Applicable Statutes and Regulations for
Compliance Order No. 03-19-14O-002

2. For a groundwater aquifer, the groundwater levels and drawdown patterns;
3. Permits or approvals for groundwater extraction if pumping from an adjudicated groundwater basin;
4. Existing and planned source pumping capability and distribution storage capacity for the system as a whole and for each pressure zone;
5. The calculated sustained well yields of existing wells if groundwater sources are used;
6. Permits, if required, for any waters proposed for use to offset potable water demand; and
7. A Source Water Assessment for each potable water source.

(B) Distribution system piping, pressure zones, hydropneumatic tanks, and reservoirs;

(C) Valves, sample taps, flow meters, unmetered service connections, and other system appurtenances;

(D) Conveyance facilities;

(E) Any flood plains in the projected service area; and

(F) The 100 year flood or highest recorded flood level, whichever is higher.

(b) If directed by the Department to do so based on its determination that a study is out of date, a water system shall update and submit the Study to the Department.

(c) Water systems that have submitted an Urban Water Management Plan to the Department of Water Resources pursuant to Water Code Part 2.6 commencing with section 10610, may submit a copy of that report in lieu of some or all of the requirements of subsection (a) to the extent such information is included in the plan.

Title 23, CCR, Section 865 states in relevant part:

Mandatory Actions by Water Suppliers.

(a) The term “urban water supplier,” when used in this section, refers to a supplier that meets the definition set forth in Water Code section 10617, except it does not refer to suppliers when they are functioning solely in a wholesale capacity, but does apply to suppliers when they are functioning in a retail capacity.

(b)(1) To promote water conservation, each urban water supplier shall implement all requirements and actions of the stage of its water shortage contingency plan that imposes mandatory restrictions on outdoor irrigation of ornamental landscapes or turf with potable water.

(2) As an alternative to subdivision (b)(1), an urban water supplier may submit a request to the Executive Director for approval of an alternate plan that includes allocation-based rate structures that satisfies the requirements of chapter 3.4 (commencing with section 370) of division 1 of the Water Code, and the Executive Director may approve such an alternate plan upon determining that the rate structure, in conjunction with other

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measures, achieves a level of conservation that would be superior to that achieved by implementing limitations on outdoor irrigation of ornamental landscapes or turf with potable water by the persons it serves to no more than two days per week.

(c) To promote water conservation, each urban water supplier that does not have a water shortage contingency plan or has been notified by the Department of Water Resources that its water shortage contingency plan does not meet the requirements of Water Code section 10632 shall, within thirty (30) days, limit outdoor irrigation of ornamental landscapes or turf with potable water by the persons it serves to no more than two days per week or shall implement another mandatory conservation measure or measures intended to achieve a comparable reduction in water consumption by the persons it serves relative to the amount consumed in 2013.

(d) In furtherance of the promotion of water conservation each urban water supplier shall prepare and submit to the State Water Resources Control Board by the 15th of each month a monitoring report on forms provided by the Board. The monitoring report shall include the amount of potable water the urban water supplier produced, including water provided by a wholesaler, in the preceding calendar month and shall compare that amount to the amount produced in the same calendar month in 2013. Beginning October 15, 2014, the monitoring report shall also estimate the gallons of water per person per day used by the residential customers it serves. In its initial monitoring report, each urban water supplier shall state the number of persons it serves.

(e) To promote water conservation, each distributor of a public water supply, as defined in Water Code section 350, that is not an urban water supplier shall, within thirty (30) days, take one or more of the following actions:

- (1) Limit outdoor irrigation of ornamental landscapes or turf with potable water by the persons it serves to no more than two days per week; or
- (2) Implement another mandatory conservation measure or measures intended to achieve a comparable reduction in water consumption by the persons it serves relative to the amount consumed in 2013.